GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:5156
ANSWERED ON:26.04.2002
IMPORT OF CBU CARS
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether according to the guidelines cleared by the FIPB and decided by a group of core Secretaries of Government of India, homologation certification by the ARAI was to be given on CBU cars produced abroad by automobile companies, which are engaged in car manufacturing activities in India with 500 million dollar investment;

(b) if so, whether the Government are aware that some agents are freely importing CBU cars toIndia by claiming to have obtained homologation for these BMW carseven though BMW is not manufacturing any car in India or they do not have any manufacturing unit in India; and

(c) if so, the action taken by the Government to check this malpractice and illegal obtaining of homologation certificate?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY)

(a) to (c) : All import restrictions maintained by India on account of balance of payment reasons have been removed in view of our International commitments. Accordingly, import restrictions on completely built car units were also removed with effect from 31.3.2001. Presently the import of cars is subject to the policy indicated in Notification No.4 dated 31.3.2001. However, as per Notification no. 31 dated 14.9.2001, certain special categories of persons such as foreign diplomats posted in India, NRIs returning on change of residence etc are exempted from these conditions. As per this Notification, the import of cars in India is subject to compliance of the provisions of Central Motor Vehicles Rules (CMVR) including Rule 126, which relates to homologation.The Automotive Research Association of India (ARAI), a testing agency specified under Rule 126 of CMVR, 1989 has informed that some enquiries had beer received from the agents of BMW AG Germany seeking clarifications on the guidelines to be followed for issuance of Type Approval Certifications, and the same had been provided to them. They have, however, not received any request for Type Approval as yet.